

*The Silent Epidemic of  
Unbridled Usury In  
America... and How It's  
Destroying Small  
Businesses in 2026*



# The Elephant In The Bank



Fidelus Group

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# Foreword

*By Aaron Harvey*

*Over the last decade, my team and I have helped tens of thousands of businesses access capital. Along the way, we heard the same story over and over—profitable companies sidelined by banks, then quietly destroyed by an industry operating in plain sight and almost entirely without regulation. What is marketed as “alternative finance” is no longer alternative. It is the primary way small businesses fund themselves, and it is rarely associated with good outcomes.*

*This book is written for the owners who were misled, overleveraged, and blamed for failures they did not cause. Many never spoke up. Some assumed the fault was theirs. Most simply disappeared. Their silence is what allowed this system to normalize itself. This is an attempt to give that silence a voice—and to explain how an entire market came to profit from it.*

– Aaron Harvey, CEO of Fidelus Group



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# Executive Overview

↘ **85% Bank Decline Rate**

↘ **Consulting Solutions**

↘ **Unregulated Capital Markets**

↘ **Call To Action**

↘ **MCA = 50% Default Rate**

↘ **Empower Your Clients**

↘ **30% Fail in first 2 years  
mostly due to liquidity**

Banks say no to most businesses. What comes next is rarely explained. Outside the regulated system sits an unregulated capital market where expensive money is sold as normal and failure is common—MCAs alone default nearly half the time. Liquidity mistakes end roughly 30% of businesses in their first two years. The problem isn't ambition or effort. It's lack of clarity. The right guidance, delivered before money is taken, changes outcomes.

# **Business as 'Unusual'**

When a bank declines a business loan, most professionals assume the system worked as designed—rules were followed, risk was managed, and the borrower simply didn't qualify. **What almost no one sees is the cliff immediately beyond that decision.**

Outside the banking system exists a largely unregulated lending market where intermediaries are paid to sell the most expensive capital possible, not the most appropriate. **Viable businesses that qualify for SBA or term loans are routinely steered into merchant cash advances with effective interest rates that would shock a loan shark.** The default rate hovers near 50 percent. This isn't a fringe problem—it's mainstream, legal, and quietly destroying livelihoods.



# Liquidity ... in Crisis

## The Tragedy of the Far-Too Common: “Sarah’s” Story

Sarah’s Business didn’t fail because her business was bad. It failed because her loan request was too small. A sub-\$300,000 request wasn’t worth a banker’s calendar slot, so the file was declined and quietly forgotten. What happened next was entirely predictable. A “broker” promised a “temporary bridge,” a merchant cash advance MCA that would supposedly strengthen the file and lead to a real business loan. It doesn’t work that way. The terms were buried, the math was obscured, and the effective rate was north of 40 percent. Revenues were siphoned daily. Cash flow collapsed. The promised refinance never came. Within months the business defaulted and closed. This is not a fringe example; it is the mainstream way by which small businesses access capital today. Many qualify for responsible financing. Most never see it. How is this even possible?

# The Silent & The Majority.

**90% of business loan applications in America are declined by the banks; those business owners are then bombarded by unscrupulous MCA companies after their financial data is sold.**

Once a loan is declined, **regulation ends and marketing begins.** Debt is renamed an “advance” to dodge usury laws. Risk is replaced with commission. A broker can legally sell a business capital with 70% interest without ever mentioning that cheaper capital exists. No one is required to care if it’s survivable. Banks won’t touch the risk. Regulators look the other way. **And business owners don’t speak up**—because when it collapses, they blame themselves. **That silence is why this is everywhere,** and why it keeps killing otherwise viable businesses.



# Free Consulting for Your Clients

**If you don't have a safe place to send clients when capital questions come up, they're exposed. At Fidelus, we offer free consulting.**

Most business owners enter the funding process without knowing what they actually qualify for. They don't understand which products are appropriate, which are dangerous, or how close they may be to qualifying for conventional financing. That lack of clarity is exactly how otherwise viable businesses end up in merchant cash advances and other high-risk products they never should have taken.



# **Solutions: Pre- Underwriting & Capital Risk Assessment**

**Fidelus operates as a pre-underwriting and diagnostic firm, not a sales brokerage. Before any application is submitted, we evaluate a client's full financial profile in-house and determine what they are realistically eligible for, why they qualify or don't, and what would need to change to improve outcomes. No pitching. No pressure.**

**Clients receive a confidential diagnostic report that gives them clarity before they take risk. If they choose to proceed, we identify the correct lender fit and protect their file by sharing only required metrics—never personal data—until terms are confirmed. Nothing moves forward without informed consent.**

**This is how clients are protected.  
This is how bad deals are avoided.  
And this is what most of the industry refuses to do.**





## Recomendations and Guarantees

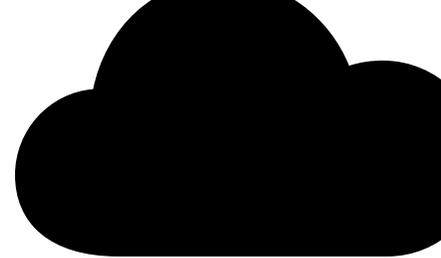
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### ↘ Best Practices

**When capital questions come up, don't guess and don't let clients "shop around." That's where damage happens. The best practice is simple: send them to a neutral third party like Fidelus Group before any applications, offers, or conversations begin. Early clarity prevents bad capital, protects the client, and keeps you out of the blast radius when things go sideways.**

### ↘ Fidelus Guarantees

**Fidelus Group provides consulting at no cost, with no sales pitch and no pressure to transact. Our guidance is conservative, suitability-driven, and always centered on the client's best interest. If funding ever occurs, it's because it makes sense—not because it closes a deal. Referral compensation is transparent and paid promptly.**



# Partnership Values

**We act with integrity and put the client's best interest first.**

**Full transparency guides every interaction and recommendation.**

**Confidentiality is absolute—client information is protected at all times**

**Our guidance is conservative, objective, and free of pressure or sales tactics.**

**Referral partners are respected, informed, and compensated promptly.**



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